

PROPOSITION 105

OFFICIAL TITLE

SENATE CONCURRENT RESOLUTION 1010

PROPOSING AN AMENDMENT TO THE CONSTITUTION OF ARIZONA; AMENDING ARTICLE IX, SECTION 2, CONSTITUTION OF ARIZONA; RELATING TO PUBLIC DEBT, REVENUE AND TAXATION.

TEXT OF PROPOSED AMENDMENT

1. Article IX, section 2, Constitution of Arizona, is proposed to be amended as follows if approved by the voters and on proclamation of the Governor:

2. Property subject to taxation: exemptions

Section 2. (1) There shall be exempt from taxation all federal, state, county and municipal property.

(2) Property of educational, charitable and religious associations or institutions not used or held for profit may be exempt from taxation by law.

(3) Public debts, as evidenced by the bonds of Arizona, its counties, municipalities or other subdivisions, shall also be exempt from taxation.

(4) All household goods owned by the user thereof and used solely for noncommercial purposes shall be exempt from taxation, and such person entitled to such exemption shall not be required to take any affirmative action to receive the benefit of such exemption.

(5) Stocks of raw or finished materials, unassembled parts, work in process or finished products constituting the inventory of a retailer or wholesaler located within the state and principally engaged in the resale of such materials, parts or products, whether or not for resale to the ultimate consumer, shall be exempt from taxation.

(6) The legislature may exempt personal property that is used for agricultural purposes or in a trade or business from taxation in a manner provided by law, except that the exemption does not apply to any amount of the full cash value of the personal property of a taxpayer that exceeds fifty thousand dollars. The legislature may provide by law to increase the exempt amount according to annual variations in a designated national inflation index.

(7) THE LEGISLATURE MAY EXEMPT THE PROPERTY OF CEMETERIES THAT ARE SET APART AND USED TO INTER DECEASED HUMAN BEINGS FROM TAXATION IN A MANNER PROVIDED BY LAW.

~~(7)~~ (8) There shall be further exempt from taxation the property of each honorably discharged airman, soldier, sailor, United States marine, member of revenue marine service, the coast guard, nurse corps or of any predecessor or of the component of auxiliary of any thereof, resident of this state, in the amount of:

(a) One thousand five hundred dollars if the total assessment of such person does not exceed three thousand five hundred dollars.

(b) One thousand dollars if the total assessment of such person does not exceed four thousand dollars.

(c) Five hundred dollars if the total assessment of such person does not exceed four thousand five hundred dollars.

(d) Two hundred fifty dollars if the total assessment of such person does not exceed five thousand dollars.

(e) No exemption if the total assessment of such person exceeds five thousand dollars.

No such exemption shall be made for such person unless such person shall have served at least sixty days in the military or naval service of the United States during World War I or prior wars and shall have been a resident of this state prior to September 1, 1945.

~~(8)~~ (9) There shall be further exempt from taxation as herein provided the property of each honorably discharged airman, soldier, sailor, United States marine, member of revenue marine service, the coast guard, nurse corps or of any predecessor or of the component of auxiliary of any thereof, resident of this state, where such person has a service-connected disability as determined by the United States veterans administration or its successor. No such exemption shall be made for such person unless he shall have been a resident of this state prior to September 1, 1945 or unless such person shall

have been a resident of this state for at least four years prior to his original entry into service as an airman, soldier, sailor, United States marine, member of revenue marine service, the coast guard, nurse corps or of any predecessor or of the component of auxiliary of any thereof. The property of such person having a compensable service-connected disability exempt from taxation as herein provided shall be determined as follows:

(a) If such person's service-connected disability as determined by the United States veterans administration or its successor is sixty per cent or less, the property of such person exempt from taxation shall be determined by such person's percentage of disability multiplied by the assessment of such person in the amount of:

(i) One thousand five hundred dollars if the total assessment of such person does not exceed three thousand five hundred dollars.

(ii) One thousand dollars if the total assessment of such person does not exceed four thousand dollars.

(iii) Five hundred dollars if the total assessment of such person does not exceed four thousand five hundred dollars.

(iv) Two hundred fifty dollars if the total assessment of such person does not exceed five thousand dollars.

(v) No exemption if the total assessment of such person exceeds five thousand dollars.

(b) If such person's service-connected disability as determined by the United States veterans administration or its successor is more than sixty per cent, the property of such person exempt from taxation shall be in the amount of:

(i) One thousand five hundred dollars if the total assessment of such person does not exceed three thousand five hundred dollars.

(ii) One thousand dollars if the total assessment of such person does not exceed four thousand dollars.

(iii) Five hundred dollars if the total assessment of such person does not exceed four thousand five hundred dollars.

(iv) Two hundred fifty dollars if the total assessment of such person does not exceed five thousand dollars.

(v) No exemption if the total assessment of such person exceeds five thousand dollars.

~~(9)~~ (10) There shall be further exempt from taxation the property of each honorably discharged airman, soldier, sailor, United States marine, member of revenue marine service, the coast guard, nurse corps or of any predecessor or of the component of auxiliary of any thereof, resident of this state, where such person has a nonservice-connected total and permanent disability, physical or mental, as so certified by the United States veterans administration, or its successor, or such other certification as provided by law, in the amount of:

(a) One thousand five hundred dollars if the total assessment of such person does not exceed three thousand five hundred dollars.

(b) One thousand dollars if the total assessment of such person does not exceed four thousand dollars.

(c) Five hundred dollars if the total assessment of such person does not exceed four thousand five hundred dollars.

(d) Two hundred fifty dollars if the total assessment of such person does not exceed five thousand dollars.

(e) No exemption if the total assessment of such person exceeds five thousand dollars.

No such exemption shall be made for such person unless he shall have served at least sixty days in the military or naval service of the United States during time of war after World War I and shall have been a resident of this state prior to September 1, 1945.

~~(10)~~ (11) There shall be further exempt from taxation the property of each widow, resident of this state, in the amount of:

Spelling, grammar, and punctuation were reproduced as submitted in the "for" and "against" arguments.

(a) One thousand five hundred dollars if the total assessment of such widow does not exceed three thousand five hundred dollars.

(b) One thousand dollars if the total assessment of such widow does not exceed four thousand dollars.

(c) Five hundred dollars if the total assessment of such widow does not exceed four thousand five hundred dollars.

(d) Two hundred fifty dollars if the total assessment of such widow does not exceed five thousand dollars.

(e) No exemption if the total assessment of such widow exceeds five thousand dollars.

In order to qualify for this exemption, the income from all sources of such widow, together with the income from all sources of all children of such widow residing with the widow in her residence in the year immediately preceding the year for which such widow applies for this exemption, shall not exceed:

1. Seven thousand dollars if none of the widow's children under the age of eighteen years resided with her in such widow's residence; or

2. Ten thousand dollars if one or more of the widow's children residing with her in such widow's residence was under the age of

eighteen years, or was totally and permanently disabled, physically or mentally, as certified by competent medical authority as provided by law.

Such widow shall have resided with her last spouse in this state at the time of the spouse's death if she was not a widow and a resident of this state prior to January 1, 1969.

~~(44)~~ (12) No property shall be exempt which has been conveyed to evade taxation. The total exemption from taxation granted to the property owned by a person who qualifies for any exemption in accordance with the terms of subsections ~~(7)~~; (8), (9), ~~or~~ (10) OR (11) shall not exceed one thousand five hundred dollars. The provisions of this section shall be self-executing.

~~(42)~~ (13) All property in the state not exempt under the laws of the United States or under this constitution or exempt by law under the provisions of this section shall be subject to taxation to be ascertained as provided by law.

2. The Secretary of State shall submit this proposition to the voters at the next general election as provided by article XXI, Constitution of Arizona.

ANALYSIS BY LEGISLATIVE COUNCIL

All property in Arizona is subject to property tax unless there is an exemption from the tax under the Arizona Constitution or federal law. The Arizona Constitution may either require that certain property be exempt from property taxation or may authorize the Legislature to enact an exemption.

Proposition 105 would amend the Arizona Constitution to authorize the Legislature to exempt from property tax cemetery property that is actually set aside and used for the burial or storage of dead human beings.

The Legislature has passed legislation to implement this exemption if this proposition is approved by the voters. The owner of the cemetery would have to file an affidavit with the County Assessor that states why the property qualifies for the exemption. After the initial application for the exemption, the owner of the cemetery would have to file another affidavit only if either:

1. The owner transferred all or part of the property to a new owner.

2. The owner stopped using any part of the property as a cemetery or any part of the property is rezoned.

ARGUMENTS "FOR" PROPOSITION 105

We pay enough taxes in Arizona. We don't need a new tax. This is why I'm voting YES on Proposition 105.

I've devoted my entire public career to holding the line on taxes, especially new ones. Now government wants to begin taxing cemetery property.

Proposition 105 will exempt all cemetery property in Arizona from taxation. We need Proposition 105 to keep the tax collector from coming after our heirs and us to collect taxes on family gravesites.

Some say that death and taxes are the only certainties in life. Without Proposition 105, taxes will certainly follow us to our graves.

Enough is enough. Join me in stopping yet another onerous tax. Join me in voting YES on Proposition 105.

Rep. Jerry Overton (District 15), Litchfield Park

Paid for by Elect Jerry Overton 2000

During my life, I will have paid my fair share of taxes. I shouldn't have to continue to pay after I'm gone.

Though it's hard to believe, the government now wants to continue to tax my heirs and me long after I depart this world.

Because of recent court rulings, Arizona counties are gearing up to begin taxing some cemetery plots. So when I die and am buried, my heirs will have to worry about paying property taxes in perpetuity on the gravesite that I have chosen.

There must be a better way to raise funds for government without taxing the dead or their grieving families.

I'm voting yes on Proposition 105.

Marc Fleischman, CPA, Tucson

Paid for by Beach, Fleischman & Co., P.C.

HOW IT SHOULD STAY

Since we became a state, Arizona has had a law on the books that is fair. It says in part, "cemetaries that are set apart and used to inter the dead are exempt from taxation..."

This reasonable law has worked well over the years. But because of unrelated court cases, some Arizona counties for the first time are preparing to send property tax bills to the owners of cemetery plots and their heirs.

If you are the recognized heir to a deceased person, you may start receiving a bill from the tax collector for the plot of land where your loved one is interned. If you don't pay the taxman, your family plot will be the subject of property tax liens and ultimately, foreclosure at a tax sale.

Cemetery plots containing loved ones on the taxman's auction block? This does not sound fair and just to us.

Proposition 105 will make all cemetery property that is used for the burial of human beings exempt from taxation.

That's how it's always been in Arizona. That's how it should stay.

Please join us in voting YES on Proposition 105.

Rose Mofford, Former Governor of Arizona, Phoenix
Paid for by K.C. Tang

Polly Rosenbaum, Former Arizona State Representative, Phoenix

For 87 years, Arizona has exempted almost all gravesites from taxation. It was a law and practice that was reasonable and made sense. Now some counties want to assess and collect taxes on a cemetery property not owned by a non-profit entity such as a city or town.

Across the state, there are hundreds of thousands of gravesites owned by the general public. Under the new interpretation of the current law, each of these gravesites will be individually assessed and property tax bills sent to the owner. In most cases, the owner is usually the heir of the deceased.

To further compound the problem, often neither the county assessor nor the operators of the cemetery know the names and current addresses of the current owners who are liable for the property taxes.

And in situations where the heirs of the deceased are known and the taxes are not paid, the cemetery plots could be the subject of property tax liens and ultimately, foreclosure of the liens at a tax sale.

Eighty-seven years have passed without such an onerous tax on the deceased and their heirs, Human cemeteries should never be subject to taxation.

Proposition 105 will continue the practice since statehood of exempting cemeteries from property taxes that inter deceased Human remains.

Vote “YES” on 105. It just makes sense.

Tom Silverman, Scottsdale City Councilman, Scottsdale

Paid for by Bear Paw Bronze Works, Loren Phippen, Scottsdale

ARGUMENTS “AGAINST” PROPOSITION 105

The Secretary of State did not receive arguments “against” Proposition 105.

BALLOT FORMAT**PROPOSITION 105****PROPOSED AMENDMENT TO THE CONSTITUTION
BY THE LEGISLATURE****OFFICIAL TITLE**

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PROPOSING AN AMENDMENT TO THE CONSTITUTION OF
ARIZONA; AMENDING ARTICLE IX, SECTION 2,
CONSTITUTION OF ARIZONA; RELATING TO PUBLIC DEBT,
REVENUE AND TAXATION.

DESCRIPTIVE TITLE

AMENDING ARIZONA CONSTITUTION RELATING TO PUBLIC
DEBT, REVENUE AND TAXATION, EXEMPTING FROM
PROPERTY TAXATION CEMETERY PROPERTY SET ASIDE FOR
BURIAL OR INTERMENT OF DEAD HUMAN BEINGS.

PROPOSITION 105

A “yes” vote shall have the effect of exempting from property taxation cemetery property used for burial or interment of dead human beings.	YES <input type="checkbox"/>
A “no” vote shall have the effect of retaining the current provisions of the Arizona Constitution which do not provide a tax exemption for cemetery property used for burial or interment of dead human beings.	NO <input type="checkbox"/>